

## § 243.1

- 243.5 May another person post a bond or other surety instrument or demonstrate financial solvency on my behalf?
- 243.6 When must I or another person meet the bonding or financial solvency requirements under this part?
- 243.7 What must a person do when posting a bond or other surety instrument or demonstrating financial solvency on behalf of an appellant?
- 243.8 When will MMS suspend my obligation to comply with an order?
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- 243.10 When will MMS collect against a bond or other surety instrument or a person demonstrating financial solvency?
- 243.11 May I appeal the MMS bond-approving officer's determination of my surety amount or financial solvency?
- 243.12 May I substitute a demonstration of financial solvency for a bond posted before the effective date of this rule?

### Subpart B—Bonding Requirements

- 243.100 What standards must my MMS-specified surety instrument meet?
- 243.101 How will MMS determine the amount of my bond or other surety instrument?

### Subpart C—Financial Solvency Requirements

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- 243.201 How will MMS determine if I am financially solvent?
- 243.202 When will MMS monitor my financial solvency?

AUTHORITY: 5 U.S.C. 301 *et seq.*; 25 U.S.C. 396 *et seq.*, 396a *et seq.*, 2101 *et seq.*; 30 U.S.C. 181 *et seq.*, 351 *et seq.*, 1001 *et seq.*, 1701 *et seq.*; 31 U.S.C. 9701; 43 U.S.C. 1301 *et seq.*, 1331 *et seq.*, and 1801 *et seq.*

SOURCE: 64 FR 26254, May 13, 1999, unless otherwise noted.

### Subpart A—General Provisions

#### § 243.1 What is the purpose of this part?

This part applies to you if you are a lessee or recipient of an order. This part explains:

- (a) How you may suspend compliance with an order that you (or your designee if you are a lessee) have appealed under 30 CFR part 290 in effect prior to May 13, 1999 and contained in the 30 CFR, parts 200 to 699, edition revised as

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of July 1, 1998, or under 30 CFR part 290, subpart b; and

- (b) When you or another person acting on your behalf must submit a bond or other surety or demonstrate financial solvency.

#### § 243.2 What leases are subject to this part?

This part applies to all Federal mineral leases onshore and on the Outer Continental Shelf (OCS), and to all federally-administered mineral leases on Indian tribal and individual Indian mineral owners' lands.

#### § 243.3 What definitions apply to this part?

*Assessment* means any fee or charge levied or imposed by the Secretary or a delegated State other than:

- (1) The principal amount of any royalty, minimum royalty, rental, bonus, net profit share or proceed of sale;
- (2) Any interest; or
- (3) Any civil or criminal penalty.

*Designee* means the person designated by a lessee under § 218.52 of this chapter to make all or part of the royalty or other payments due on a lease on the lessee's behalf.

*Lessee* means any person to whom the United States, or the United States on behalf of an Indian tribe or individual Indian mineral owner, issues a lease, or any person to whom all or part of the lessee's interest or operating rights in a lease has been assigned.

*MMS bond-approving officer* means the Associate Director for Royalty Management or an official to whom the Associate Director delegates that responsibility.

*MMS-specified surety instrument* means an MMS-specified administrative appeal bond, an MMS-specified irrevocable letter of credit, a Treasury book-entry bond or note, or a financial institution book-entry certificate of deposit.

*Notice of order* means the notice that MMS or a delegated State issues to a lessee that informs the lessee that MMS or the delegated State has issued an order to the lessee's designee.

*Order* means an order appealable under 30 CFR part 290 in effect prior to May 13, 1999 and contained in the 30 CFR, parts 200 to 699, edition revised as